



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 31, 2023)

Drafting Number:	LLS 23-0916	Date:	April 14, 2023
Prime Sponsors:	Sen. Rodriguez	Bill Status:	Senate Finance
		Fiscal Analyst:	Clayton Mayfield 303-866-5851 clayton.mayfield@coleg.gov

Bill Topic: AG REGULATED CONSUMER CREDIT TRANSACTIONS

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates the Consumer Credit Unit Cash Fund in the Department of Law, modifies the scheduled collection of certain business registration fees under the Uniform Consumer Credit Code, and transfers the balances from two funds to this new consolidated fund. For FY 2023-24 only, the bill minimally increases state workload, shifts state revenue, and for FY 2024-25 makes two transfers.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This revised fiscal note reflects the introduced bill, as amended by the Senate Business, Labor, and Technology Committee.

**Table 1
State Fiscal Impacts Under SB 23-248**

	Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-
Expenditures	-	-
Transfers		
Collection Agency Cash Fund	-	(\$103,459)
Uniform Consumer Credit Code Cash Fund	-	(\$247,159)
Consumer Credit Unit Cash Fund	-	\$350,618
Net Transfers	-	\$0

Other Budget Impacts

Summary of Legislation

The bill creates the continuously appropriated Consumer Credit Unit Cash Fund in the Department of Law (DOL) to receive all fees collected pursuant to articles 2, 6, 10, 16, 19, and 21 of the Consumer Credit Code, starting July 1, 2024. Additionally, on September 30, 2024, the bill transfers the unexpended and unencumbered balances of the two funds that currently receive that fee revenue to the new fund.

The bill changes the business registration fee collection schedule, moving the deadline from January to July to align with the state fiscal year. The bill makes business registrations issued in January 2023 valid until July 2024 and not subject to a renewal fee until July 2024. The bill gives the DOL authority to establish the fees, repealing the specific amounts set in statute. The DOL may also charge an additional fee in January 2024 to cover direct and indirect administrative expenses until renewals are due in July 2024.

Additionally, the bill allows collection agencies, debt-management service providers, and student loan servicers to adopt remote work policies for employees, subject to DOL rule and other restrictions.

Finally, the bill requires licensed student loan servicers to submit an annual report on loans serviced to the DOL as part of license renewal, modifies definitions to exempt private education credit that is refinanced from required disclosure, and replaces statutory definitions of “lender” and “loan” with “creditor” and “credit obligation”.

State Revenue

The bill allows the DOL to assess a one-time fee in January 2024 to cover costs that result from extending the deadline for 2023 registrations and renewals from January 1, 2024 to July 1, 2024. This one-time fee and the new July registration schedule will shift the timing of when businesses pay registration fees, but the net impact on fees and state revenue is expected to be neutral relative to current law.

Prior to the July 1, 2024 registration deadline, fee revenue collected by the DOL in FY 2023-24 and future years will be deposited into the new Consumer Credit Unit Cash Fund, rather than the Collection Agency Cash Fund and the Uniform Consumer Credit Code Cash Fund. This ongoing revenue is estimated to total \$2.9 million per year.

State Transfer

On September 30, 2024, the bill transfers the unexpended and unencumbered balances of the Uniform Consumer Credit Code Cash Fund and the Collection Agency Cash Fund to the new Consumer Credit Unit Cash Fund created in the bill. Based on cash fund balances reported in the DOL’s FY 2023-24 budget request, \$103,459 would be transferred from the Collection Agency Cash Fund and \$247,159 from the Uniform Consumer Credit Code Cash Fund, for a total of \$350,618 transferred to the new Consumer Credit Unit Cash Fund.

State Expenditures

The bill may minimally impact workload for the Department of Law in FY 2023-24 only to make any adjustments to the administration of the Uniform Consumer Credit Code and to promulgate rules regarding remote work policies for certain consumer credit businesses. No change in appropriations is required.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Law